

August 24, 2011

Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

Re: FURTHER INQUIRY INTO CERTAIN ISSUES IN THE UNIVERSAL SERVICE-  
INTERCARRIER COMPENSATION TRANSFORMATION PROCEEDING

WC Docket Nos. 10-90, 07-135, 05-337, 03-109;  
CC Docket No. 01-92, 96-45  
GN Docket No. 09-51

Dear Commissioners:

The U.S. Distance Learning Association (USDLA)'s mission is to serve the distance learning community by providing advocacy, information and opportunity. We partner with students and educational organizations to support their access to the latest innovations in digital training and online learning opportunities.

Distance learning of all forms – e-learning, mobile learning, computer-based training (CBT), web-based training (WBT), instructor-led training (ILT), online training, online learning, blended learning, classroom training, webinars, etc. – depend on advanced broadband networks to allow the quickest and most reliable communications between the student and instructor. That is why USDLA has consistently supported public policies that will help connect more Americans to broadband Internet.

Today, we write to you in support of a proposal submitted by a group of broadband providers that we believe presents a set of positive and concrete steps toward achieving our goals of increasing broadband deployment nationally. The “America’s Broadband Connectivity” plan would reform the Universal Service Fund (USF) to ensure future sustainability.

USDLA strongly supports the mission of USF to allow all Americans, regardless of geography or income, to receive basic telephone services. And like most organizations in the education field, we believe that the E-Rate Program of USF is a critical element of our nation’s educational infrastructure, providing resources for schools and libraries that they would not have otherwise.

But we also know that the current way that USF works is based on outdated assumptions that have created instability and inequalities in its execution. The High Cost portion of the program has grown beyond its original narrow goals of subsidizing rural telephone connections and has become so large and expensive that it threatens the viability of the entire USF program.

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For today's students living in rural areas who are seeking the most innovative distance learning opportunities, traditional voice service alone simply cannot be enough. They need advanced broadband services to be able to take advantage of all the robust online educational opportunities. That is why it no longer makes sense for USF to continue providing funds to subsidize yesterday's wired voice networks.

We agree with the America's Broadband Connectivity plan that we need to freeze the increasing size of the High Cost fund and start reforming the focus of the subsidies to broadband buildout in unserved areas where there is no business case for providers to build. Realigning the limited USF resources to deploying additional broadband services in unserved rural areas will increase opportunities for rural students to benefit from valuable distance learning opportunities.

USDLA also supports this proposal because without serious and immediate reforms to the High Cost portion of USF, we are afraid that E-Rate and other programs within USF could potentially be impacted negatively. We are assured that the America's Broadband Connectivity plan not only protects but enhances the stability of the E-Rate programs by addressing head-on the real source of the problems facing USF today, which is the High Cost fund.

Finally, the proposal would update our nation's archaic Inter-carrier Compensation (ICC) system, which was put in place at a time when the plain old telephone service made distinctions between local and long distance calls and other differences based on the nature of the phone call. In today's Internet age, maintaining these artificial distinctions no longer make sense. Worse, still, they inhibit faster broadband deployment by forcing the IP-based broadband networks to comply with an outdated internal support mechanism.

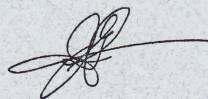
We agree with most economists who have studied this proposal that the commonsense ICC reforms could lower costs for wireless and VoIP services, relied upon by most of our students and education organizations that USDLA represents.

Our membership is broad – including military organizations who utilize distance learning opportunities for training, homeschooling families and organizations, telemedicine providers and those involved in K-12 and higher education services. The last thing that they need is higher prices for broadband service, and this proposal helps ensure affordable access.

USDLA and its membership strongly support the Commission's efforts to reform the USF and ICC systems to modernize them for the digital age, and we urge you to adopt the America's Broadband Connectivity plan.

Thank you for considering our views.

Sincerely,

A handwritten signature in black ink, appearing to read 'John G. Flores', with a stylized flourish extending to the right.

John G. Flores, Ph.D.  
Executive Director